

CENTRAL INTELLIGENCE GROUP

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governments. Then, during their occupation, the Japanese protected the Mongols against the advance of the Chinese settlers. The Chinese Communists now have the difficult problem of handling the land already "owned" by Chinese settlers in Mongolian areas. This problem exists in Chahar League but not in Salingol League, where there are almost no Chinese except for a few traders.)

4. A "tsu-yin-ti" executive committee or section shall be established in the Chahar League Government with the important positions in this committee filled by Chinese. A Self-government Ward Office shall be established in the "tsu-yin-ti" itself. Until the banner governments are organized, the Ward Offices will be under the direct control of the league government but as soon as the banner governments are established, these offices will be put under their control.
5. The Mongolian villages in the Chinese areas and the Chinese that live in the "tsu-yin-ti" shall have representatives of their own to take part in the local governments. They will hold office as committee members, vice-magistrates, vice-chiefs of banners, and section heads or members. The number of Chinese representatives in local Mongolian governments and Mongolians in Chinese governments will be in proportion to the local population.

6. Military Horse Pastures

No banner shall be established in the "Chün-ma-mu-ch'ang" (軍馬牧場) or military horse pastures. The horse pastures within the Chinese districts will be controlled by the Chinese governments and those within the Mongolian areas by the banner governments.

Tax Collection

7. The league governments are to draw up procedures for tax collection based on local customs and special conditions in each different area. Export taxes are to be so arranged as not to conflict with the tariff regulations of the border region governments and the Chahar Provincial Government.

Economic Plans

8. The government in each area is to devote itself to the study of pasturing, of improving the pedigree and increase of livestock. They will also promote the improvement of the irrigation systems, reforestation, reclamation of waste lands, wool-weaving, establishment of tanneries, processing of salt, and the improvement of transportation facilities.

CONFIDENTIAL/CONTROL

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CONFIDENTIAL